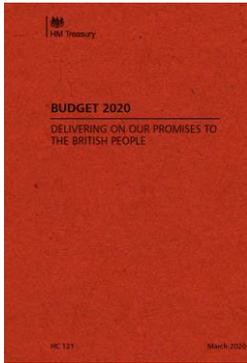


## Extracts from the Budget statement 2020 document



### BUDGET 2020

#### DELIVERING ON OUR PROMISES TO THE BRITISH PEOPLE

Return to an order of the House of Commons dated 11 March 2020

Copy of the Budget Report – March 2020 as laid before the House of Commons by the Chancellor of the Exchequer when opening the Budget.

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/871799/thumbnail\\_Budget\\_2020\\_Web\\_Accessible\\_Complete.pdf.png](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/871799/thumbnail_Budget_2020_Web_Accessible_Complete.pdf.png)

## Transport

**2.82 Second Road Investment Strategy (RIS2)** – The Government is boosting regional connectivity and transforming connections through the largest ever investment in England’s strategic roads.<sup>5</sup> Through RIS2 the Government will spend over £27 billion between 2020 and 2025. It will take forward schemes such as:

- dualling the A66 Trans-Pennine and upgrading the A46 Newark bypass, addressing congestion on these key routes in the North East and the Midlands
- improving the M60 Simister Island in Manchester to tackle delays
- building the Lower Thames Crossing, which will increase road capacity across the Thames east of London by 90%<sup>6</sup>
- building a new, high-quality dual carriageway and a two-mile tunnel in the South West to speed up journeys on the A303, and to remove traffic from the iconic setting of Stonehenge [MGBGTV8 daily user Howard Gosling will be pleased as he uses that road a great deal – but there will no doubt be congestion during the construction works]
- considering how the A1/A19 north of Newcastle and the A1 Doncaster to Darrington in Yorkshire can be improved to speed up journeys and boost economic growth
- exploring how to connect communities in East Lancashire and West Yorkshire better, and exploring the case for improvements to links between the M4 and the Dorset Coast

**2.87 Potholes fund** – The Government is announcing £500 million per year from 2020-21 to 2024-25 to help tackle potholes and to stop them from forming. As a result, the government will spend £1.5 billion in 2020-21 on filling in potholes and resurfacing roads.

## Transport taxes

**2.220 Fuel duty** – The Government will freeze fuel duty for a tenth year in a row, cumulatively saving the average car driver £1,200 compared to the pre-2010 escalator. <sup>22</sup> Future fuel duty rates will be considered alongside measures that are needed to help meet the UK’s net zero commitment. (13)

**2.223 Vehicle Excise Duty (VED): Rates** – The Government will uprate VED rates for cars, vans and motorcycles in line with RPI from 1 April 2020. To support the haulage sector, the Government will freeze HGV VED and the HGV Road User Levy for 2020-21. (53)

**2.224 VED: Zero emission vehicles (ZEVs)** – From 1 April 2020, the government will exempt all ZEVs registered until 31 March 2025 from the VED ‘expensive car’ supplement. The measure will incentivise the uptake of ZEVs to support the phasing out of petrol and diesel vehicles. (44)

**2.229 Company vehicles** – From 6 April 2020, fuel benefit charges and the van benefit charge will increase in line with CPI. (54)

**2.230 First year allowances for business cars from April 2021** – To support the uptake of zero emission vehicles (ZEVs) and ultra-low emission vehicles (ULEVs), from April 2021, the Government will extend first year allowances to ZEVs only and apply the main rate writing down allowance (WDA) of 18% to cars with emissions up to 50g/km. The special rate WDA of 6% will apply to higher polluting cars with emissions above 50g/km. First year allowances for zero emission goods vehicles and natural gas and hydrogen refuelling equipment will also be extended. (42)

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**2.231 Red diesel: Removing entitlement** – The Government will remove entitlement to the use of red diesel and rebated biofuels from April 2022, except for agriculture (including horticulture, pisciculture and forestry), rail and for non-commercial heating (including domestic heating). The Government will consult on whether the entitlement to use red diesel and rebated biofuels is justified for any other users, for example there is a strong case for continued use by ferries carrying paid passengers on the UK's rivers and inland waterways, or public entertainment. Commercial boats on open waters, including ferries and fishing boats, will remain entitled to the Marine Voyages Relief so will not have to pay more for their fuel. This measure will incentivise businesses to improve the energy efficiency of their vehicles and machinery or look for greener alternatives. To support the development of alternatives that these businesses can switch to, the Budget has also committed to at least doubling the size of the energy innovation programme, accelerating the design and production of innovative clean energy technologies.

(39)